

5/19/2011

**CONFIDENTIAL**  
Mobi PCS Mail - RE: Document in HC-2...

ATTACHMENT 25



Aug. 10, 2012 Letter - Att. 7 (pt. 2)  
Peter Gose <peter.gose@mobipecs.com>

## RE: Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

1 message

Daubert, Todd <TDaubert@kelleydrye.com>

Thu, Mar 4, 2010 at 3:28 PM

To: "Smith, Krista McClintock (US - McLean)" <kmccclintock@deloitte.com>, Peter Gose <peter.gose@mobipecs.com>

I would like to discuss that further. I do not understand how your professional standards permit you to write a finding based on a legal interpretation for which you cannot cite any support and the WGA says that there "is no clear answer" without even noting that in your report. Indeed, the term "inactive" that you use in the report is not even found in any of the relevant FCC rules.

Todd Daubert | Kelley Drye & Warren LLP  
Washington Harbour, Suite 400  
3050 K Street, NW, Washington, D.C. 20007-5108  
Office: 202.342.8602 | Mobile: 202.436.1819  
[tDaubert@kelleydrye.com](mailto:tDaubert@kelleydrye.com)  
[www.kelleydrye.com](http://www.kelleydrye.com)

-----Original Message-----

**From:** Smith, Krista McClintock (US - McLean) [mailto:[kmccclintock@deloitte.com](mailto:kmccclintock@deloitte.com)]  
**Sent:** Thursday, March 04, 2010 4:25 PM  
**To:** Daubert, Todd; 'Peter Gose'  
**Subject:** RE: Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

We can discuss further on our call tomorrow, however, we would opine based on our interpretation of the rules.. [REDACTED]  
[REDACTED] In accordance with the professional standards, we would not respond to Coral's opinion in our report.

However, the following language would be included after management's response in the finding section --

Deloitte's Response to  
Management's  
Response



**From:** Daubert, Todd [mailto:[TDaubert@KelleyDrye.com](mailto:TDaubert@KelleyDrye.com)]  
**Sent:** Thursday, March 04, 2010 4:19 PM  
**To:** 'Peter Gose'; Smith, Krista McClintock (US - McLean)  
**Subject:** RE: Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

Ms. Smith,

In light of WGA's opinion that there is "no clear answer," do you intend to note this in your report? Do you intend to respond to Coral's opinion in your report?

Thank you,

Todd Daubert

<https://mail.google.com/mail/?ui=2&ik...>

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5/19/2011

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Mobi PCS Mail - RE: Document in HC-2...

ATTACHMENT 25

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

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**Todd Daubert | Kelley Drye & Warren LLP**  
Washington Harbour, Suite 400  
3050 K Street, NW, Washington, D.C. 20007-5108  
Office: 202.342.8602 | Mobile: 202.436.1819  
[tdaubert@kelleydrye.com](mailto:tdaubert@kelleydrye.com)  
[www.kelleydrye.com](http://www.kelleydrye.com)

—Original Message—

**From:** Peter Gose [<mailto:peter.gose@mobipcs.com>]  
**Sent:** Thursday, March 04, 2010 4:12 PM  
**To:** Smith, Krista McClintock (US - McLean); Daubert, Todd  
**Subject:** Re: Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

Krista,

Yes, please propose a time for a teleconference tomorrow. I am only available until 1:00 p.m. eastern. As previously noted, we would request that Jarret Rea from WGA participate in that call. I will transmit the management rep letter to you during the call.

**Peter Gose**  
Director - Regulatory Affairs



Pacific Guardian Center - Makai Tower  
733 Bishop St. Suite 1200  
Honolulu, HI 96813  
Direct Line 808.723.2072  
Direct Fax 808.723.2172  
[peter.gose@mobipcs.com](mailto:peter.gose@mobipcs.com)

— @ WiseStamp Signature. [Get it now](#)

On Thu, Mar 4, 2010 at 3:02 PM, Smith, Krista McClintock (US - McLean) <[kmccclintock@deloitte.com](mailto:kmccclintock@deloitte.com)> wrote:

WGA does not believe there is a clear answer. The FCC will ultimately have to rule. [REDACTED]  
USAC wants this filed tomorrow. I am happy to have a call with your legal counsel, but it won't change things at this point. What do you want to do?

---

**From:** Peter Gose [<mailto:peter.gose@mobipcs.com>]  
**Sent:** Thursday, March 04, 2010 2:40 PM

**To:** Smith, Krista McClintock (US - McLean)  
**Subject:** Re: Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

Management has sign a rep letter, but in it has noted that it disagrees with the final point on the finding. Letter will be provided immediately after the requested teleconference has taken place.

Presuming WGA does not agree with Deloitte's position, how will you treat the audit report?

**Error! Filename not specified.**

— @ WiseStamp Signature. [Get it now](#)

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Mobi PCS Mail - RE: Document in HC-2...

ATTACHMENT 25

On Thu, Mar 4, 2010 at 1:33 PM, Smith, Krista McClintock (US - McLean) <kmccclintock@deloitte.com> wrote:

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

Peter -

We are in the process of having WGA (the QA firm for Coral) review your response. I will let you know the outcome as soon as I know something.

Assuming that WGA agrees [REDACTED]. If that is the case, what is management's position on signing the rep letter?

Krista

---

**From:** Peter Gose [mailto:[peter.gose@mobilpcs.com](mailto:peter.gose@mobilpcs.com)]

**Sent:** Tuesday, March 02, 2010 3:25 PM

**To:** Smith, Krista McClintock (US - McLean)

**Subject:** Re: Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

Krista,

Please see the draft response of Coral Wireless to the Deloitte audit report.

[REDACTED]

Coral will have its outside counsel available on that call to answer any legal questions that Deloitte might have.

Please let me know when we can arrange the teleconference requested above. Thank you Krista.

Error! Filename not specified.

-- @ WiseStamp Signature. Get it now

On Mon, Mar 1, 2010 at 11:10 AM, Smith, Krista McClintock (US - McLean) <kmccclintock@deloitte.com> wrote:

Peter -

Attached is the revised opinion and comment letter.

Regards,  
Krista

**Krista M. Smith**

Assurance and Enterprise Risk Services  
Deloitte & Touche LLP

Tel: +1 703 251 1340  
Fax: +1 703 332 7977  
Mobile: +1 973 978 8109

<https://mail.google.com/mail/?ui=2&ik...>

3/4

5/19/2011

**CONFIDENTIAL**  
Mobi PCS Mail - RE: Document in HC-2...

ATTACHMENT 25

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[www.deloitte.com](http://www.deloitte.com)  
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McLean, VA 22102

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

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5/18/2011

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Mobi PCS Mail - Document in HC-2008...

ATTACHMENT 26

Aug. 10, 2012 Letter - Att. 7 (pt. 2)



Peter Gose <peter.gose@mobipcs.com>

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## Document in HC-2008-BE-126\_Coral\_Opinion1 (2)

1 message

---

Smith, Krista McClintock (US - McLean) <kmcclintock@deloitte.com>  
To: Peter Gose <peter.gose@mobipcs.com>

Fri, Mar 5, 2010 at 5:13 PM

Peter –

We discussed Coral's situation internally and again with WGA. We are prepared [REDACTED]  
[REDACTED] We are working on the language, but attached is the latest draft of our report and the finding.

I am hoping to send the rep letter draft later tonight or over the weekend.

Hopefully we can bring this to resolution. Thanks for your patience.

Regards,

Krista

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5/18/2011

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Mobi PCS Mail - Document in HC-2008...

ATTACHMENT 26

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

***Universal Service  
Administrative Company  
High Cost Support  
Mechanism***

*Independent Accountants' Report on Compliance  
Relating to High Cost Support Received by Coral  
Wireless LLC d/b/a Mobi PCS (HC-2008-126) for the  
Year Ended June 30, 2008*

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

## INDEPENDENT ACCOUNTANTS' REPORT

Universal Service Administrative Company  
Federal Communications Commission

We were engaged to examine have examined the compliance of Coral Wireless LLC d/b/a Mobi PCS (Beneficiary), relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders governing Universal Service Support for the High Cost Program ("HCP") relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Management of the Beneficiary is responsible for the Beneficiary's compliance with those requirements. Our responsibility is to express an opinion on management's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the Beneficiary's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Beneficiary's compliance with specified

As discussed in Finding HC2008BE126\_F01, the Beneficiary interprets the term "Working Loop" to include any line from the moment the Beneficiary connects the line by assigning a particular telephone number to a specific customer until the Beneficiary disconnects the line and returns that telephone number to available inventory for assignment to a new customer.

Line counts are used in the calculation of the Beneficiary's Universal Service Support, which totaled \$14,971,972 for the year ended June 30, 2008. We were unable to satisfy ourselves concerning the acceptability of the inclusion of lines 60 to 90 days preceding their disconnect date by means of other examination procedures.

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Because of the limitations in the scope of our examination as discussed in the preceding paragraphs, the scope of our work was not sufficient to enable us to express, and

relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders governing



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ATTACHMENT 27

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

~~Universal Service Support for the High-Cost Program ("HCP") relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008.~~

This report is intended solely for the information and use of the Universal Service Administrative Company and the Federal Communications Commission, and is not intended to be and should not be used by anyone other than these specified parties.

INSERT DATE

cc: Management of the Beneficiary

CONFIDENTIAL

ATTACHMENT 27

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

ATTACHMENT:  
FINDING

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

**Detailed Information Relative to Material Noncompliance (Finding)**

<b>Finding No.</b>	HC2008BE126_F01
<b>Condition</b>	<p>The Beneficiary interprets the term "Working Loop" to include any line from [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
<b>Criteria</b>	<p>Federal Communications Commission (FCC) Rule §54.307(a) provides that a competitive eligible telecommunications carrier may receive universal service support to the extent that the competitive eligible telecommunications carrier captures the subscriber lines of an incumbent local exchange carrier (LEC) or serves new subscriber lines in the incumbent LEC's service area.</p> <p>Under FCC Rule §54.307(b), in order to receive support, a competitive eligible telecommunications carrier must report to the Administrator the number of working loops it serves in a service area pursuant to the schedule set forth in paragraph (c) of this section.</p> <p>In accordance with FCC Rule §54.307(c), a competitive eligible telecommunications carrier must submit the data required pursuant to paragraph (b) of this section according to the schedule.</p> <ol style="list-style-type: none"> <li>(1) No later than July 31st of each year, submit data as of December 31st of the previous calendar year;</li> <li>(2) No later than September 30th of each year, submit data as of March 31st of the existing calendar year;</li> <li>(3) No later than December 30th of each year, submit data as of June 30th of the existing calendar year;</li> <li>(4) No later than March 30th of each year, submit data as of September 30th of the previous calendar year.</li> </ol>
<b>Effect</b>	<p>It is unclear whether the inclusion of lines during the 60 to 90 days preceding the [REDACTED]</p> <p>[REDACTED]</p>
<b>Cause</b>	<p>[REDACTED]</p> <p>[REDACTED] Apart from Section 54.307(c) of the FCC's Rules, no FCC rules,</p>

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Aug. 10, 2012 Letter - Att. 7 (pt. 2)

	<u>orders or decisions explicitly address the definition of competitive eligible telecommunications carrier ("CETC") "working loops" for universal service support purposes.</u>
<b>Monetary Impact on Support</b>	<u>The monetary impact on support was not quantified, as we issued a disclaimer of</u> [REDACTED]
<b>Recommendation</b>	[REDACTED]
<b>Management Response</b>	[Open for Management's Response]

5/18/2011

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Mobi PCS Mail - Coral Documents

ATTACHMENT 28



Aug. 10, 2012 Letter - Att. 7 (pt. 2)

Peter Gose <peter.gose@mobipcs.com>

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## Coral Documents

1 message

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Smith, Krista McClintock (US - McLean) <kmcclintock@deloitte.com>

Mon, Mar 8, 2010 at 8:10 AM

To: Peter Gose <peter.gose@mobipcs.com>

Peter –

We reviewed the attached over the weekend and are prepared [REDACTED]  
Would you please let me know this morning if the attached language is acceptable to the company?

Regards,

Krista

**Krista M. Smith**

Assurance and Enterprise Risk Services  
Deloitte & Touche LLP

Tel: +1 703 251 1340  
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Mobile: +1 973 978 8109  
[kmcclintock@deloitte.com](mailto:kmcclintock@deloitte.com)  
[www.deloitte.com](http://www.deloitte.com)

1750 Tysons Boulevard

Suite 800  
McLean, VA 22102

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2 attachments



[REDACTED]  
31K



[REDACTED]  
25K

5/18/2011

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Mobi PCS Mail - Coral Documents

ATTACHMENT 28

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

***Universal Service  
Administrative Company  
High Cost Support  
Mechanism***

*Independent Accountants' Report on Compliance  
Relating to High Cost Support Received by Coral  
Wireless LLC d/b/a Mobi PCS (HC-2008-126) for the  
Year Ended June 30, 2008*

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

**INDEPENDENT ACCOUNTANTS' REPORT**

Universal Service Administrative Company  
Federal Communications Commission

We were engaged to examine the compliance of Coral Wireless LLC d/b/a Mobi PCS (Beneficiary), relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders governing Universal Service Support for the High Cost Program ("HCP") relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Management of the Beneficiary is responsible for the Beneficiary's compliance with those requirements.

As discussed in Finding HC2008BE126\_F01, FCC Rule §54.307(b) defines working loops for competitive eligible telecommunications carriers as the number of working Exchange Line C&WF loops used jointly for exchange and message telecommunications service, including C&WF subscriber lines associated with pay telephones in C&WF Category 1, but excluding WATS closed end access and TWX service. The Beneficiary interprets the term working loop to include any line from the moment the Beneficiary connects the line by assigning a particular telephone number to a specific customer until the Beneficiary disconnects the line and returns that telephone number to available inventory for assignment to a new customer. The Beneficiary has the right to place various limits upon the service in the 60 to 90 days preceding the disconnect date. During the 60 to 90 days preceding the disconnect date, the Beneficiary considers these lines as working loops and includes them in line counts submitted in accordance with FCC Rule §54.307. Line counts are used in the calculation of the Beneficiary's Universal Service Support, which totaled \$14,971,972 for the year ended June 30, 2008. We were unable to satisfy ourselves concerning the acceptability of the inclusion of lines 60 to 90 days preceding their disconnect date as the FCC Rules do not clearly indicate these lines would be considered other than working loops as described above.

! !  
This report is intended solely for the information and use of the Universal Service Administrative Company and the Federal Communications Commission, and is not intended to be and should not be used by anyone other than these specified parties.

INSERT DATE

cc: Management of the Beneficiary



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**ATTACHMENT 29**

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

**ATTACHMENT:**

**FINDING**

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

## Detailed Information Relative to Material Noncompliance (Finding)

Finding No.	HC2008BE126_F01
Condition	<div>[REDACTED]</div> <div>[REDACTED]</div> <div>[REDACTED]</div>
Criteria	<p>Federal Communications Commission (FCC) Rule §54.307(a) provides that a competitive eligible telecommunications carrier ("CETC") may receive universal service support to the extent that the competitive eligible telecommunications carrier captures the subscriber lines of an incumbent local exchange carrier (LEC) or serves new subscriber lines in the incumbent LEC's service area.</p> <p>Under FCC Rule §54.307(b), in order to receive support, a competitive eligible telecommunications carrier must report to the Administrator the number of working loops it serves in a service area pursuant to the schedule set forth in paragraph (c) of this section. <u>FCC Rule §54.307(b) defines working loops for CETC's as the number of working Exchange Line C&amp;WF loops used jointly for exchange and message telecommunications service, including C&amp;WF subscriber lines associated with pay telephones in C&amp;WF Category 1, but excluding WATS closed end access and TWX service.</u></p>
Effect	<div>[REDACTED]</div>
Cause	<u>Apart from Section 54.307(b) of the FCC's Rules, no FCC rules, orders or decisions explicitly address the definition of CETC working loops for universal service support purposes.</u>
Monetary Impact on Support	<div>[REDACTED]</div>
Recommendation	<u>The Beneficiary should seek guidance from the FCC on whether their policy, including the interpretation of a working loop is in keeping with the FCC Rules.</u>
Management Response	[Open for Management's Response]

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

March 5, 2010

Deloitte & Touche LLP  
1750 Tysons Boulevard  
McLean, Virginia 22102

We are providing this letter in connection with your engagement examination to examine of the the compliance of Coral Wireless LLC d/b/a Mobile PCS (the "Beneficiary") regarding the Beneficiary's compliance, relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders ("Rules and Orders") governing Universal Service Support for the High Cost Program relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Accordingly, we confirm the following:

- a. Management is responsible for complying, relative to Study Area Code No. 629002, with the FCC Rules and Orders governing Universal Service Support for the High Cost Program ("HCP").
- b. The Beneficiary is responsible for establishing and maintaining effective internal control over compliance with the FCC Rules and Orders.
- c. Management has performed an evaluation of the Beneficiary's compliance, relative to Study Area Code No. 629002, with the FCC Rules and Orders for the year ended June 30, 2008, and the Beneficiary has believes that it has complied with the FCC Rules and Orders for the year ended June 30, 2008; [REDACTED]

We confirm to the best of our knowledge and belief, the following representations made to you during your engagement:

1. [REDACTED]
2. We have made available all records and documentation related to compliance with the FCC Rules and Orders.
3. We have disclosed all communications from regulatory agencies, internal auditors, and others concerning possible noncompliance with the FCC Rules and Orders, including communications received subsequent to June 30, 2008.
4. We have no knowledge of any fraud or suspected fraud affecting the Beneficiary involving (1) management, (2) employees who have significant roles in internal control over compliance, or (3) others where the fraud could have a material effect on compliance with the FCC Rules and Orders.
5. There were no allegations of fraud or suspected fraud affecting the Beneficiary received in communications from employees, former employees, analysts, regulators, short sellers, or others that could have a material effect on compliance with the FCC Rules and Orders.
6. No instances of noncompliance with the FCC Rules and Orders occurred subsequent to June 30, 2008 and through the date of this letter.

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

7. We used all of the \$14,971,972 in federal high cost support provided to the Beneficiary for the year ended June 30, 2008 solely for the provision, maintenance and upgrading of facilities and services for which support is intended.

7. —

[REDACTED]

[REDACTED]

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Barry Rinaldo  
Chief Financial Officer  
On Behalf of Coral Wireless LLC

5/19/2011

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Mobi PCS Mail - Re: Coral - Status of M...

ATTACHMENT 31



Aug. 10, 2012 Letter - Att. 7 (pt. 2)

Peter Gose <[peter.gose@mobipcs.com](mailto:peter.gose@mobipcs.com)>

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## Re: Coral - Status of Management Response and Rep Letter

1 message

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Peter Gose <[peter.gose@mobipcs.com](mailto:peter.gose@mobipcs.com)>

Thu, Mar 18, 2010 at 6:57 PM

To: "Smith, Krista McClintock (US - McLean)" <[kmcclintock@deloitte.com](mailto:kmcclintock@deloitte.com)>

Bcc: Barry Rinaldo <[barry.rinaldo@mobipcs.com](mailto:barry.rinaldo@mobipcs.com)>, "Daubert, Todd" <[TDaubert@kelleydrye.com](mailto:TDaubert@kelleydrye.com)>, Stephen Johnston <[sjohnston@clrparkers.com](mailto:sjohnston@clrparkers.com)>

Krista,

Please find attached the following two (2) documents:

1. Management representation letter signed by Barry Rinaldo, Mobi PCS CFO.
2. Management response to audit report.

If you have questions please advise.

Thank you.

Peter Gose  
Director - Regulatory Affairs



Pacific Guardian Center - Makai Tower  
733 Bishop St. Suite 1200  
Honolulu, HI 96813  
Direct Line 808.723.2072  
Direct Fax 808.723.2172  
[peter.gose@mobipcs.com](mailto:peter.gose@mobipcs.com)

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On Thu, Mar 18, 2010 at 3:49 PM, Smith, Krista McClintock (US - McLean) <[kmcclintock@deloitte.com](mailto:kmcclintock@deloitte.com)> wrote:

Peter –

Would you please provide me with a status update?

Regards,

Krista

Krista M. Smith

5/19/2011

**CONFIDENTIAL**  
Mobi PCS Mail - Re: Coral - Status of M...

ATTACHMENT 31

Assurance and Enterprise Risk Services  
Deloitte & Touche LLP

Aug. 10, 2012 Letter - Att. 7 (pt. 2)

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**2 attachments**

 **Deloitte Audit Report - Management Response - Final - 3-05-2010.pdf**  
21K

 **Coral Wireless Management Representation Letter - Final - BRR Signature - 3-5-2010.pdf**  
535K

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Coral Wireless LLC dba

Aug. 10, 2012 Letter - Att. 7 (pt. 2)



March 5, 2010

Deloitte & Touche LLP  
1750 Tysons Boulevard  
McLean, Virginia 22102

We are providing this letter in connection with your engagement to examine the compliance of Coral Wireless LLC d/b/a Mobile PCS (the "Beneficiary") regarding the Beneficiary's compliance, relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders ("Rules and Orders") governing Universal Service Support for the High Cost Program relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Accordingly, the Beneficiary confirms the following:


- a. Management is responsible for complying, relative to Study Area Code No. 629002, with the FCC Rules and Orders governing Universal Service Support for the High Cost Program ("HCP").
- b. The Beneficiary is responsible for establishing and maintaining effective internal control over compliance with the FCC Rules and Orders.
- c. Management has performed an evaluation of the Beneficiary's compliance, relative to Study Area Code No. 629002, with the FCC Rules and Orders for the year ended June 30, 2008, and the Beneficiary believes that it has fully complied with the FCC Rules and Orders for the year ended June 30, 2008.

The Beneficiary confirms to the best of its knowledge and belief, the following representations made to you during your engagement:

1. [REDACTED]
2. The Beneficiary has made available all records and documentation related to compliance with the FCC Rules and Orders.
3. The Beneficiary has disclosed all communications from regulatory agencies, internal auditors, and others concerning possible noncompliance with the FCC Rules and Orders, including communications received subsequent to June 30, 2008.

4. The Beneficiary has no knowledge of any fraud or suspected fraud affecting the Beneficiary involving (1) management, (2) employees who have significant roles in internal control over compliance, or (3) others where the fraud could have a material effect on compliance with the FCC Rules and Orders. APR 18, 2012 Letter At 7 (pt. 2)
5. There were no allegations of fraud or suspected fraud affecting the Beneficiary received in communications from employees, former employees, analysts, regulators, short sellers, or others that could have a material effect on compliance with the FCC Rules and Orders.
6. No instances of noncompliance with the FCC Rules and Orders occurred subsequent to June 30, 2008 and through the date of this letter.
7. The Beneficiary used all of the \$14,971,972 in federal high cost support provided to the Beneficiary for the year ended June 30, 2008 solely for the provision, maintenance and upgrading of facilities and services for which support is intended.

8. 

  
Barry Rinaldo  
Chief Financial Officer  
On Behalf of Coral Wireless LLC



Aug. 10, 2012 Letter - Att. 7 (pt. 2)

***Universal Service  
Administrative Company  
High Cost Support  
Mechanism***

***Independent Accountants' Report on Compliance  
Relating to High Cost Support Received by Coral  
Wireless LLC d/b/a Mobi PCS (HC-2008-126) for the  
Year Ended June 30, 2008***